LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, MAY 16, 2006,** upon the application of **CHESAPEAKE OPERATING, INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Fowler Sand; the Hill Sand; the Upper Sligo Sand, Reservoir A; the Gardner Sand; the Hosston L Sand; and the Hosston Formation, in the Simsboro Field, Lincoln Parish, Louisiana.

- To permit the Applicant to designate and utilize the Chesapeake Operating, Inc. T Butler No.
 Well and Chesapeake Operating, Inc. Sumlin No. 1 Well, as alternate unit wells for FWL SUE, HILL SUF, and U SLI RA SUG, at the locations shown on the plat submitted with the application, in exception to the well spacing provisions of Office of Conservation Order No. 222, effective December 4, 1951.
- 2. To permit the Applicant to drill, designate and utilize one (1) additional alternate unit well for FWL SUE, HILL SUF, and U SLI RA SUG, at the location shown on the plat submitted with the application, in exception to the well spacing provisions of Office of Conservation Order No. 222, effective December 4, 1951.
- 3. To permit the Applicant to drill, designate and utilize one (1) additional alternate unit well for GARD SUJ, HOSS L SUA, and HOSS SU27, at the location shown on the plat submitted with the application, in exception to the well spacing provisions of Office of Conservation Order No. 222, effective December 4, 1951.
- 4. To explicitly find that the proposed alternate unit wells are necessary to drain a portion of the abovesaid sands, formation and reservoirs in the Simsboro Field, underlying the respective units referenced above, which cannot be efficiently and economically drained by any existing well in such units.
- 5. To redefine the Hosston Formation, INSOFAR AND ONLY INSOFAR AS TO HOSS SU27, as being the stratigraphic equivalent of that gas and condensate bearing interval encountered between the depths of 6480 feet and 9610 feet (electric log measurements) in the Tensas Delta Expl. Co., LLC Freudendorf, et al No. 2 Well, located in Section 14, Township 17 North, Range 4 West, Lincoln Parish, Louisiana, LESS AND EXCEPT the Hosston L Sand as defined in Office of Conservation Order No. 222.
- 6. To permit the downhole combination of the abovesaid sands, formation and reservoirs in the wellbore of any well located in FWL SUE, HILL SUF, U SLI RA SUG, GARD SUJ, HOSS L SUA and HOSS SU27.
- 7. To consider such other matters as may be pertinent.

The Fowler Sand, Hill Sand, Gardner Sand and Hosston L Sand, are fully defined in Office of Conservation Order No. 222, effective December 4, 1951.

The Hosston Formation, was previously defined in Office of Conservation Order No. 222-1, effective September 1, 1957, but shall be redefined as set forth hereinabove INSOFAR AND ONLY INSOFAR AS TO HOSS SU27.

The Upper Sligo Sand, Reservoir A, was defined in Office of Conservation Order No. 222-G, effective January 18, 1979.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

SIMSBORO FIELD 06-498 thru 06-503

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, La 4/6/06;4/11/06 S dnp

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.